RAJYA SABHA

Tuesday, the 17th December' 1996/26th Agrahayana, 1918 (Saka)

The House met at eleven of the clock
Mr. Chairman in the chair.

ORAL ANSWERS TO QUESTIONS

*361. *[The questioner (Shri S. Muthu Mani) was absent for answer, vide col... infra]*

Memorandum for Directive to Central Bank of India

*362. SHRIMATI CHANDRA KALA PANDEY :Will the Minister of FINANCE be pleased to state:

(a) whether any action has been taken on the Patriot Link Workers Union's memorandum regarding directive to the Central Bank of India to release every month, the wages/salaries of workers from May, 1996;

(b) whether any directive has been issued to the Central Bank of India and if so, the details thereof; and

(c) if no action has been taken so far, what action Government propose to take on the Union's request;

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) to (c) An Hon'ble Member of Parliament had forwarded, in September 1996, a memorandum to Finance Minister, from the Patriot-Link Workers' Union in which the Union had *inter alia* requested for issue of instructions to the Central Bank of India to release, every month, the wages/salaries of the workers of United India Periodicals (p) Ltd. (UIPPL) from May 1996. On taking up the matter with the Central Bank of India, the bank, among other things, reported that it had filed a case against UIPPL before Debt Recovery Tribunal (DRT), New Delhi on 21st May, 1996 for recovery of dues to the Bank. The matter is at present *sub judice*.

The Central Bank of India had further reported that the Workers' Union had filed a petition on 2nd July, 1996 before the DRT for release of wages to them. However, the petition of the workers was dismissed by DRT on 21st August, 1996.

It may be added that under Section 20 (1) of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, any person aggrieved by an order made, or deemed to have been made, by a DRT can prefer an appeal to an Appellate Tribunal having jurisdiction in the matter.

श्रीमतीचन्द्रकलापाण्डेय:माननीयसभापति महोदय, आप के माध्यम से मैं वित्त मंत्री जी से कुछ पूरक प्रश्न करना चाहूंगी। वित्त मंत्री जी ने जो लिखित जवाब दिया है, उस से जाहिर है कि उन के विभाग को एक माननीय सदस्य के माध्यम से एक ज्ञापद प्राप्त हुआ था और इस मामले पर सेंट्रल बैंक आफ इंडिया से बात भी की गयी थी, लेकिन अब तक मामला न्यायाधीन है। तो मंत्री जी से मेरा पहला प्रश्न यह है कि 14.8.1996 को जो ज्ञापन दिया गया था, उस में सेन्ट्रल बैंक से बातचीत के अतिरिक्त और भी कई मांगें थी, क्या मंत्री जी की दृष्टि में वह सारी मांगें आई हैं और वे इन पर किसी तरह का विचार करने की कोशिश करेंगे? यह मेरा पहला पूरक प्रश्न है। मेरा दूसरा पूरक प्रश्न...

MR. CHAIRMAN: Second supplementary? Later, please.

SHRI P. CHIDAMBARAM: Sir, I am replying on behalf of the Central Bank of India and the Government. The Central Bank of India has moved the Debt Recovery Tribunal and has obtained certain interim ordes. If the party or anyone is aggrieved against those orders, they must go before the Appellate Tribunal. The complaint of the union—and I hve sympathy for that complaint-to the Debt Recovery Tribunal was to release the wages to the union, and the Debt Recovery Tribunal, in my humble view, has correctly said that such an application was not maintainable before the Tribunal. So the Tribunal has

dismissed the workers' application on 21st August 1996. The Central Bank is trying to recover its loan to the company. The Central Bank, Sir, with great respect, cannot be held responsible for the non-payment of wages to the workers by the company.

MR. CHAIRMAN: Second supplementary, please.

श्रीमती चन्द्रकला पांडेय: सभापति महोदय, मैं मंत्री जी से दूसरा पूरक प्रश्न यह करना चाहूंगी कि यह तो ठीक है कि मामले श्रम मंत्रालय के अधीन जा सकते हैं, और भी मंत्रालयों के अधीन जा सकते हैं, लेकिन अखबार बंद हो जाने से 270 वर्कर्स भुखमरी की कगार पर खड़े हैं। उन्होंने वित्त मंत्री जी को जो ज्ञापन दिया था, उस में उन्होंने एक नेशनल ट्रिब्युनल फंड की बात की थी। क्या इस तरह इस फंड से उन्हें कोई राशि मुहैया कराई जा सकती है जिस से वे अखबार को टेक-ओवर कर के फिर से चला सकें क्योंकि अरूणा आसिफ अली जो कि एक सुप्रसिद्ध स्वतंत्रता सेनानी थीं, उन्होंने इस अखबार को शुरू किया था और सभापति महोदय, आज जब महिलाओं के लिए हम इतना सोच रहे हैं तो एक महिला द्वारा स्थापित इस अखबार को बचाने के लिए क्या वित्त मंत्रालय से इस अखबार के वर्कर्स को बचाने के लिए किसी प्रकार का फंड दिया जा सकता है जिस से कि इस अखबार को पुनः चलाया जा सके? धन्यवाद।

SHRI P. CHIDAMBARAM: Sir, the representation given to me, was, among other consequential reliefs, to instruct the Central Bank of release wags, salaries to the workers for the month of May, 1996. That is not the function of the Central Bank of India. I have sympathy with the plight of the workers, but they must move an appropriate labour authority or the Ministry of Labour or the Labour Commissioner and try to get relief. I cannot instruct the Central Bank of India which is recovering a loan, that the wages should be paid. That is not the function of the Bank.

SHRIMATI CHANDRA KALA PANDEY: It is a question of using the National Renewal Fund and not instructing the Central Bank of India.

SHRI P. CHIDAMBARAM: Sir, the National Renewal Fund is operated by the Ministry of Industry in consultation with the Ministry of Labour. I would urge the hon. Member to ask the workers to appeal to the concerned Ministers, and if they then write to me and if I have to do something, I shall look into it.

SHRI GURUDAS DAS GUPTA: The hon. Minister is taking a legal position. Of course, the Minister can take a legal position. I cannot quarrel with him on that score. What I am saying is that there is something more than law. He cannot ask of the Central Bank to give them the wages, and he cannot also ask the Central Bank of India to go to the Tribunal for modification of the order. I agree with him on that. But the point is that the Central Bank of India has taken the easiest course. To go to the Debt Recovery Tribunal or not to go to it is their option. Not always do banks having huge losses generally go to. Tribunals. It is their option. They may go to them or they may not go to them. I do not quarrel even on that.

But the point is the way in which the workers are suffering. Is it not a matter of concern for the Government and the Ministry of Finance? If a modification of order can be sought jointly by the Central Bank of India and the workers. Why can the hon. Minister not advise the Central Bank of India to go to the Debt Recovery Tribunal and ask for a modification so that the wages are paid. This is part (a).

Part (b) is that the loan has been given to Patriot definitely against some security. It is not only by putting fingers on the rent that the arrears can be realised. There are other assets also, and there must have been some security also. Without taking recourse to that, why are only the wages of the workers being put fingers on? In this situation, will the Minister take it up with the Bank to ensure that they do not generally go to the Debt Recovery Tribunal just to release the funds as a commitment of the

present Government to the unprivileged and the poor.

SHRI P. CHIDAMBARAM: Sir, the Debt Recovery Tribunals were set up under a law made by Parliament, and banks were told, "You must recover your debts." The oustanding debt is about Rs. 21 crores. The advances were secured by equitable mortgage of land and building known as the Link House. The Link House has three tenants, one of them the Central Bank itself, and two other tenants. The Central Bank is required to pay a rent of Rs. 2.4 lakhs per month. Of course, the Central Bank is appropriating that by virture of the order of the DRT. Another tenant says that the bulk of money is being appropriated by the Municipal Corporation of Delhi. Therefore, there is a balance of only Rs. 1.21 lakhs which is beig remitted to the Central Bank under the orders of the Debt Recovery Tribunal The third client says that it is owed money by the company and that, therefore, it is adjusting the rent against the money owed to it. In such circumstances, what the Bank is collecting is ony Rs. 3.61 · lakhs per month. The outstanding amount is Rs. 21 crores. Now, what is it that I should tell the Central Bank of India when they are only collecting Rs. 3,61,000 per month in an outstanding of Rs. 21 crores? I have sympathy with the workers. But I think the hon. Members should appreciate that the Central Bank of India is acting under the law made by Parliament and I have, therefore, to appreciate the difficulties of the Central Bank of India which has to recover its loan. It is not as though it is collecting a huge amount of money. It is only collecting Rs. 3,61,000 a month.

SHRI GURUDAS DAS GUPTA: Sir, if the amount is so small, then, why can't they take steps to make the payment to the workers? They are not going to recover the entire money by doing this. Recovery of the entire rent cannot be done by withholding the payment to the workers. As the hon. Minister says, it is only a small sum. If the amount is small and marginal, then, why can't the Central Bank of India go in for other options like taking over other assets and other securities in order to make the payment to the workers?

SHRI P. CHIDAMBARAM: Sir, I have already explained, the only security against this loan is the Link house. The Link house is the building in which these tenants are living. This is the only manner of recovery that is possible. It is being done under the order of the Debt Recovery Tribunal. If the banks do not recover debts, then, there is a criticism that banks are not doing enough to recover the assets. Against the debt of Rs. 21 crores, the Central Bank of India is recovering Rs. 3,61,000 a month. In the circumstances, it would be very difficult for me to instruct the Central Bank of India to do that.

SHRI R.K. KUMAR: Sir, as Mr. Gurudas Das Gupta has correctly pointed out, the value of security is available. Personally I know that many sick mills in Coimbatore, Tamil Nadu and in Mumbai are being financed by the Central Bank of India, whether it is wages or bonus at the time of Diwali festival, etc. Keeping in view the security available for a temporary period, to ameliorate the financial difficulties of the workers. The Central Bank should come to the rescue of the workers. There are many other units, *Patriot* is not the only unit where they can help. What is the distinction between other units and the *Patriot* unit? This is the commecial decision approved by the bank. Keeping in view the security, the value of the Security is much more than the outstanding amount of Rs. 21 crores. Should not the bank at least come to the rescue of the workers, particularly, when they are helping other units? That is my question.

SHRI P. CHIDAMBARAM: Mr. Chairman, Sir, I have no information about what the Central Bank of India is doing in other cases. However, I would certainly bring this information to the

notice of the Central Bank and say, "If you are helping workers involved in other cases at the time of the Diwali festival or on some other festival occasions, can't you extend similar help to the workers on a festival occasion?" I will certainly pass on this to the Central Bank of India. But to say that a the Central Bank of India should not recover anything would not be correct. May be, at the time of the Diwali festival or, may be, at the time of a particular festival, the Central Bank of India can suspend its recovery for a month or so and see that some relief is granted to the workers. If that is the point which the hon. Member, Mr. Kumar is making, I will certainly pass on this to the Central Bank of India.

MR. CHAIRMAN: Q.No. 363.

Excise Disputes Pending for Adjudication

*363. DR. JAGANNATH MISHRA: Will the Minister of FINANCE be pleased to state:

(a) the number of Excise disputes pending for adjudication for more than 5 years;

(b) how much amount is locked in these disputes and the reasons for the inordinate delay in the settlement of these cases; and

(c) what steps Government propose to take for the expeditious disposal of outstanding Excise disputes?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) to (c) The number of Excise disputes pending for adjudication for the last more than 5 years is 6813.

The amount locked up in these disputes is approximately Rs. 814.38 crores. Many of the issues involved in the cases are pending before CEGAT, High Courts or the Supreme Court.

Various measures are being taken to expedite finalisation of the cases at the stage of adjudication and appeal before the Tribunal and courts. These include sanctioning of more posts of Commissioners to deal, *inter-alia*, with adjudiction, reviewing of powers of Adjudication of Central Excise Officers at various levels, appointment of common adjudicators to exclusively deal with some of the cases which are complex and appointment of senior counsel to represent the Department.

डा० जगन्नाथ मिश्र: मंत्री जी के उत्तर से यह स्पष्ट हो रहा है कि 6,813 मामले 5 वर्ष से अधिक समय से विचाराधीन हैं तो मैं जानना चाहता हूं कि इन मामलों में बड़ी-बड़ी कम्पनियों से संबंधित कितने मामले हैं, सार्वजनिक प्रतिष्ठानों से संबंधित कितने मामले हैं और क्या यह सही है कि प्रक्रियाओं की जटिलता के कारण या नियमों-उपनियमों में भ्रांतियां रहने के कारण इन मामलों के निष्पादन में काफी लम्बा समय लगा है? उदाहरण के लिए मैं मंत्री महोदय का ध्यान आकर्षित करना चाहूंगा कि गोल्डन टोबेको कम्पनी, जिसके पास 15 करोड़ से अधिक बकाया है और 1985 में उसे सूचना दी गई शो कॉज देकर पूछा गया, इस मामले क अभी तक निष्पादन नहीं हुआ ठीक उसी तरह से इण्डियन टौबेको कम्पनी के मामले हैं जो 700 करोड़ से अधिक के समाचार पत्रों में प्रकाशित हुए हैं, जो लम्बित हैं। तो क्या मंत्री महोदय इन तथ्यों को ध्यान में रखते हुए कोई सकारात्मक कार्यक्रम तत्काल संचालित करेंगे?

SHRI P. CHIDAMBARAM: Sir, mounting arrears of cases has been a problem for many, many years. The data that we have do not generate the classification which the hon. Member wants. For example, the 6,800 cases which are pending with the various commissionerates, additional commissionerates and assistant commissionerates cannot be classified; in the space of time available, into public sector, big companies and small companies. But if there are specific instances which the hon. Member has in mind, certainly, I will be in a position to get the information and I will answer him. I know, for example, that in respect of the Indian Tobacco Company cases